

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 124986

62

ORIGIN L-03

INFO OCT-01 EUR-06 ADP-00 /010 R

66610

DRAFTED BY: L/ SCI: EMAURER

APPROVED BY: L/ SCI: EMAURER: NMC

L/ EUR- MR. SMALL

EUR/ CE- MR. SWING

----- 078049

R 281834 Z JUN 73

FM SECSTATE WASHDC

INFO RUFHOL/ AMEMBASSY BONN 0000

USMISSION BERLIN

LIMITED OFFICIAL USE STATE 124986

FOLLOWING SENT ACTION BRUSSELS INFO PARIS LONDON WARSAW,
JUNE 26, FROM SECSTATE RPTD TO YOU:
QUOTE

E. O.11652: N/ A

TAGS: EFIN, BE

SUBJ: DANZIG GOLD, DANZIG BONDS

BRUSSELS FOR TGC COMMISSIONER CROWLEY

REFS; BRUSSELS 1247, BRUSSELS 579, BRUSSELS 2629

1. AS YOU KNOW BRITISH EMBASSY HAS FURNISHED US WITH DRAFT
NOTE TO TRIPARTITE COMMISSION REQUESTING RECONSIDERATION OF
JUNE 1958 DECISION ON DANZIG GOLD. DEPT SUBJECT TO YOUR
VIEWS IS PREPARED TRANSMIT REVISED DRAFT NOTE AS SET FORTH
IN PARAGRAPH 9 BELOW TO FRENCH AND BRITISH REPRESENTATIVES
IN WASHINGTON WHILE YOU CONTEMPORANEOUSLY TRANSMIT REVISED
DRAFT NOTE TO YOUR TRIPARTITE COMMISSION COLLEAGUES.

2. DEPT WOULD APPRECIATE YOUR VIEWS ON ADEQUACY OF PROPOSED
DRAFT NOTE AS BASIS FOR RECONSIDERATION OF JUNE 19, 1958
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 124986

DECISION AND FOR AMENDMENT TO 1958 DECISION WHICH WOULD AUTHORIZE DELIVERY OF GOLD TO POLAND. IN PREPARING REVISED NOTE AND IN MOVING FORWARD ON THIS MATTER, DEPT HAS IN MIND FOLLOWING: (A) STATE IN NOTE MORE ACCURATELY THE FACTS ABOUT AWARD AND ORIGIN DANZIG GOLD; (B) GIVE ADEQUATE BASIS IN NOTE FOR RECONSIDERATION OF AWARD; (C) NOT PREJUDICE, BY ANY ACTION TAKEN, US AND ALLIED POSITION REGARDING NON- RECOGNITION ODER- NEISSE LINE PRIOR TO ANY PEACE

SETTLEMENT; (D) TAKE ADEQUATE MEASURES AGAINST ANY US AND ALLIED LIABILITY IN EVENT POLAND DOES NOT BECOME DE JURE SOVEREIGN OF DANZIG.

3. WITH RESPECT TO 2(A), FOR EXAMPLE, GOLD WAS " SET ASIDE" NOT " DEPOSITED." FURTHER BRITISH NOTE APPEARS TO GO ON ASSUMPTION WE HOLD SPECIFIC GOLD LOOTED FROM DANZIG WHEREAS CLAIMS ARE IN FACT ON BASIS OF PROVEN LOOTING AND THEN SHARING (ON BASIS SIMILAR TO GENERAL AVERAGE PRINCIPLE IN MARITIME LAW) IN WHATEVER GOLD WE RECOVERED IN GERMANY AFTER THE WAR (EVEN IF DANZIG GOLD WAS LOST IN SEA OR SOLD OR USED UP). ACCORDINGLY WE BELIEVE EMPHASIS OF PENULTIMATE PARAGRAPH OF BRITISH NOTE IS NOT PROPER AND WE ARE PUTTING FORTH OTHER BASES FOR RECONSIDERATION OF THE AWARD DISCUSSED BELOW.

4. WITH RESPECT TO ITEM 2(B) ABOVE, WE HAVE REFERRED IN PROPOSED REVISED NOTE TO POTSDAM PROTOCOL AND FACT THAT POLAND HAS BEEN " EXERCISING AUTHORITY" OVER AND EXPENDING MONEY IN DANZIG FOR PAST 27 YEARS. FINALLY WE HAVE REFERRED TO LACK OF ANY CURRENT PLANS FOR PEACE TREATY. IT IS THOUGHT IN LIGHT OF SITUATION DESCRIBED, TRIPARTITE COMMISSION COULD AMEND ITS AWARD TO PERMIT DELIVERY OF GOLD TO POLAND ON BASIS OF POLAND' S LONG EXERCISE OF AUTHORITY IN DANZIG, ITS EXPENDITURES OF FUNDS IN DANZIG AND INDEFINITE PROSPECTS OF ANY PEACE SETTLEMENT.

5. WITH RESPECT TO 2(C), WE BELIEVE IF BASIS OF TRIPARTITE COMMISSION DECISION IS AS PREVIOUSLY DESCRIBED WITH ITS EMPHASIS ON POLAND' S EXERCISE OF AUTHORITY AND EXPENDITURE OF FUNDS, AND DECISION AVOIDS ANY REFERENCE TO POLISH SOVEREIGNTY OVER DANZIG, DECISION WOULD BE ACCEPTABLE AND LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 124986

NOT PREJUDICE US OR ALLIED POSITION WITH RESPECT TO NON- RECOGNITION OF ODER- NEISSE LINE. WE HAVE GIVEN CONSIDERATION TO WHETHER DECISION OR DELIVERY SHOULD BE CONDITIONED, USING SPECIFIC LANGUAGE, ON BEING WITHOUT PREJUDICE TO NON- RECOGNITION OF ODER- NEISSE LINE; BUT WE ARE OF VIEW THAT THIS IS NOT NEEDED AND WOULD RUN SERIOUS DANGER OF LANGUAGE BEING UNACCEPTABLE TO POLISH SENSITIVITIES AND

THEREFORE PRECLUDING ANY FORWARD MOVEMENT ON DANZIG GOLD AND DANZIG BONDS. FOR SIMILAR REASONS WE HAVE AVOIDED USE OF "ADMINISTERING."

6. WITH RESPECT TO 2(D), STANDARD WAIVER WHICH OTHER GOVERNMENTS RECEIVING GOLD HAVE SIGNED AND WHICH POLAND WOULD BE REQUIRED TO SIGN, PROVIDES THAT ANY CLAIMANT RECIPIENT WAIVES ANY AND ALL CLAIMS AGAINST THE THREE GOVERNMENTS FOR ANY AND ALL ACTS IN CONNECTION WITH THE DETERMINATION OF CLAIMS AND THE CUSTODY, DISTRIBUTION

OR ADMINISTRATION OF THE GOLD POOL. HOWEVER THE WAIVER DOES NOT COVER THE CASE OF A NON-RECIPIENT COUNTRY SUCCESSFULLY DISPUTING THE TURN OVER OF THE GOLD TO POLAND AND THE QUESTION ARISES WHETHER WE SHOULD SEEK A SUPPLEMENTARY PROVISION OF A HOLD HARMLESS NATURE FROM POLAND COVERING THIS CONTINGENCY. OUR REACTION HERE IS THAT THE POSSIBILITY OF SOME GOVERNMENT NOT A RECIPIENT FROM THE GOLD POOL ULTIMATELY BECOMING DE JURE SOVEREIGN OF DANZIG AND ALSO BEING SUCCESSFUL IN A CLAIM AGAINST THE THREE GOVERNMENTS FOR THEIR ACTION HERE IS SO REMOTE THAT WE ARE OF THE VIEW WE NEED NOT COVER THIS CONTINGENCY.

7. IT SHOULD BE APPRECIATED THAT WE HAVE NOT MADE ANY FORMAL CONNECTION BETWEEN AMENDED DECISION AND DANZIG BOND ISSUE IN OUR NOTE NOR DO WE INTEND TO MAKE SUCH FORMAL CONNECTION IN ANY OTHER DOCUMENT, BUT WE WISH TIMING TO BE PACED WITH AFFIRMATIVE MOVEMENT ON BOND ISSUE. THUS WE ARE THINKING AT THIS TIME OF GOING FORWARD WITH TRANSMISSION OF NOTE TO THE TRIPARTITE COMMISSION WHEN NOTE HAS BEEN CLEARED BY THREE GOVERNMENTS BUT OF HOLDING BACK AT TIME OF ISSUANCE OF AMENDED DECISION IF IT APPEARS ADEQUATE PROGRESS HAS NOT BEEN MADE IN CONNECTION WITH BONDS. WE WILL REMIND POLES OF OUR FEELING REGARDING BOND ISSUE. ANOTHER POSSIBILITY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 124986

OF HOLDING BACK IS TO HOLD BACK AT THE TIME OF SIGNING DELIVERY ORDER.

8. ONCE THE NOTE HAS BEEN FORWARDED TO THE TRIPARTITE COMMISSION, TRIPARTITE COMMISSION SHOULD THEN FRAME AN AMENDMENT WHICH WE WOULD LIKE TO REVIEW IN DRAFT.

9. TEXT OF REVISED DRAFT NOTE AS FOLLOWS:

(1) THE EMBASSY PRESENTS ITS COMPLIMENTS TO THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD AND HAS THE HONOR ON INSTRUCTIONS FROM ITS GOVERNMENT, ACTING IN CONSULTATION WITH THE GOVERNMENTS OF THE UNITED KINGDOM AND THE REPUBLIC OF FRANCE, TO INFORM THE COMMISSION THAT ON FEBRUARY 1, 1973 THE GOVERNMENT OF POLAND MADE RENEWED

REPRESENTATION TO THE GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING THE DECISION OF JUNE 9, 1958 RESPECTING THE DANZIG GOLD.

(2) IT WILL BE RECALLED THAT IN THIS DECISION AN AWARD WAS MADE FOR THE LOSS OF GOLD WHICH THE COMMISSION JUDGED TO HAVE BEEN REMOVED FROM THE BANK OF DANZIG IN CIRCUMSTANCES WHICH AMOUNTED TO LOOTING AND PROVISION WAS MADE THAT A PRO RATA SHARE OF GOLD HELD BY THE GOVERNMENTS OF GREAT BRITIAN, THE UNITED STATES AND FRANCE BE SET ASIDE IN THE CUSTODY OF THE THREE GOVERNMENTS FOR DELIVERY TO

THE GOVERNMENT WHICH UPON THE FINAL SETTLEMENT PROVIDED FOR IN THE PROTOCOL OF POTSDAM CONFERENCE OF 1945 ESTABLISHES ITS RIGHT TO RECEIVE THIS GOLD.

(3) THE GOVERNMENT OF THE UNITED STATES REFERS TO SECTION IX(B) OF THE POTSDAME PROTOCOL OF AUGUST 2, 1945 PURSUANT TO WHICH THE GOVERNMENT OF POLAND HAS BEEN EXERCISING AUTHORITY IN DANZIG FOR MORE THAN TWENTY- SEVEN YEARS AND HAS BEEN EXPENDING FUNDS IN DANZIG. THE GOVERNMENT OF THE UNITED STATES FURTHER NOTES THAT MORE THAN FOURTEEN YEARS HAVE ELAPSED SINCE THE COMMISSION ISSUED ITS ADJUDICATION IN THE MATTER OF THE DANZIG GOLD. FINALLY, THE GOVERNMENT OF THE UNITED STATES OF AMERICA NOTES THAT THERE ARE NO CURRENT PLANS FOR CONVENING A CONFERENCE FOR CONCLUDING THE PEACE SETTLEMENT ENLIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 124986

VISAGED BY THE POTSDAM PROTOCOL.

(4) IN THE LIGHT OF THE SITUATION DESCRIBED IN THE PRECEDING PARAGRAPH, THE GOVERNMENT OF THE UNITED STATES IN CONSULTATION WITH THE GOVERNMENTS OF GREAT BRITIAN AND FRANCE REQUESTS THAT THE TRIPARTITE COMMISSION REVIEW ITS DECISION OF JUNE 19, 1958 REGARDING DELIVERY OF THE GOLD.

(5) NOTES IN A SIMILAR SENSE ARE BEING SENT BY THE GOVERNMENTS OF THE UNITED KINGDOM AND FRANCE TO THE TRIPARTITE COMMISSION.

ROGERS

UNQUOTE. ROGERS

LIMITED OFFICIAL USE

NNNNMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOLD HOLDINGS, GOLD TRANSACTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 JUN 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: collinp0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE124986
Document Source: CORE
Document Unique ID: 00
Drafter: L/ SCI: EMAURER
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730630/aaaajqbi.tel
Line Count: 222
Locator: TEXT ON-LINE
Office: ORIGIN L
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 BRUSSELS 1247, 73 BRUSSELS 579, 73 BRUSSELS 2629
Review Action: RELEASED, APPROVED
Review Authority: collinp0
Review Comment: n/a
Review Content Flags:
Review Date: 17 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17-Aug-2001 by martinml>; APPROVED <26 FEB 2002 by collinp0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 980227
Subject: DANZIG GOLD, DANZIG BONDS
TAGS: EFIN, BE, PL
To: BRUSSELS
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005